

Consumer-driven online communities and their effect on brand performance

A literature review

Bachelor's Thesis
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11.08.2019
Marketing Program

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Title of thesis Consumer-driven online communities and their effect on brand performance

Degree Bachelor's degree

Degree programme Marketing

Thesis advisor(s) Olga Lavrusheva, Emma Salminen

Year of approval 2019

Number of pages 36

Language English

Abstract

Despite the continuing interest in consumption-focused communities and the economic incentives of increasing the performance of brands, the two phenomena are seldom observed in conjunction with each other. This literature review draws from past research to examine the increasing of brand performance through brand equity and brand loyalty together with market orientation and innovative culture, and the various forms of online consumption communities, focusing on consumer-driven online brand- and themed communities. The main objective of the literature review is to discover, how consumer-driven online communities affect a brand's performance.

The findings of the study reveal that consumer-driven online communities affect brand performance in various direct and indirect ways, such as word-of-mouth communication and providing valuable information to marketers. The possibility of negative brand performance effects is also discovered and discussed. The findings of the literature review are examined through examples of consumer-driven online communities, which exhibit behaviour similar to the theoretical background. Finally, key implications for academic and managerial purposes are discussed.

Keywords online community, brand performance, consumer-driven, brand equity, brand loyalty

Table of Contents

Abstract

1	Introduction.....	1
2	Defining brand performance	2
2.1	Brand	3
2.2	Brand equity	3
2.2.1	Brand awareness	4
2.2.2	Brand image	5
2.3	Brand loyalty	6
2.3.1	Development of brand loyalty	7
2.4	Brand performance	9
3	Defining consumer-driven online communities.....	10
3.1	Online communities	11
3.2	Communities of consumption	12
3.2.1	Brand communities	13
3.2.2	Themed communities.....	16
3.3	Consumer-driven online communities	17
3.3.1	Exploration of consumer-driven online communities.....	18
4	Connecting consumer-driven online communities and brand performance	20
4.1	Market orientation	21
4.2	Brand equity and loyalty through communities	22
4.3	Word-of-mouth.....	24
4.4	Brand extensions	24
4.5	Possible negative effects	25
4.6	Markers of affecting brand performance in example communities	26
5	Discussion and conclusion.....	28
5.1	Implications for research.....	29
5.2	Implications for practice.....	29
5.3	Limitations and future research.....	30
	References.....	30

1 Introduction

The economic importance of a strong brand has been well documented and researched in the field of marketing by various researchers from a plethora of different angles (e.g. Kotler 1991; Keller, 1993; Oliver, 1999; O’Cass & Viet Ngo, 2007). The market performance defining characteristics of a brand, brand performance, can stem from many different sources (Chaudhuri & Holbrook, 2001; O’Cass & Viet Ngo, 2007), one of which is the communal behaviour of consumers (de Valck et al., 2009).

Since Muñiz Jr. and O’Guinn (2001) introduced the concept of brand communities, much of the marketing research focused on communal behaviour has been dedicated to the idea of communities formed around specific brands. Some researchers, however, have noted the existence of similar communities that aren’t specifically focused on a brand or product, but rather a theme or other similar shared interest (e.g. Chalmers Thomas et al., 2012; Schwaninger & Hyde, 2013). While researchers often do not specify the host or moderator of the communities that are studied, or specifically target communities run by the company behind the brand (e.g. Wiertz & De Ruyter, 2007), the existence and importance of communities operated by consumers has also been documented in literature by researchers such as Muñiz Jr. and Schau (2007).

More people use online services and engage in communications online than ever before, especially through social media sites like Facebook, which has over 2,4 billion active monthly users (Statista, 2019). Such online platforms allow companies and consumers to easily start a page or another form of virtual space for consumers that share the interest for a brand or activity to discuss it as a community. Consumption-related communities operating online have been recognized in marketing literature for the past two decades (e.g. Kozinets, 1999; Muñiz Jr. & O’Guinn, 2001), and brands seem to acknowledge the importance of online presence and focus on starting or supporting their communities online (Schau et al., 2009). Some of the largest online brand communities have more than 50 million members on Facebook alone (Website-Monitoring, 2012), and with the continuously growing number of users (Statista, 2019) the influence of communal behaviour online doesn’t seem to be slowing down.

Despite the clear interest in both brand performance and online communities in the academic and business fields, the connection between the two concepts seems to rarely be the focal point of observation, especially when consumer-driven online communities are considered.

This literature review aims to examine past research on both brand performance and consumption communities and combine it in order to provide a comprehensive understanding of brand performance and the factors that affect it and communities that form around products, brands and consumption activities. However, the main focus of this study is to form an understanding of the connection between consumer-driven online communities and brand performance. Thus, the research question that this study aims to answer is:

How do consumer-driven online communities affect a brand's performance?

This literature review is divided into three sections. First, brand performance is examined by defining a brand and the factors that affect brand performance, brand equity and brand loyalty, after which brand performance is defined. Second, consumer-driven online communities are defined by examining online communities in general and distinguishing communities focused on consumption, which are further divided into consumer-driven communities and others. In the third section, brand performance and consumer-driven online communities are combined and the communities' effects on brand performance are examined through theory and examples.

2 Defining brand performance

Brand performance is a measurement of a brand's success in the marketplace, which can be tracked through factors such as sales growth, profitability and market share (O'Cass & Viet Ngo, 2007). These factors can be affected by a plethora of brand-related actions and functions as Kelle (1993), O'Cass & Viet Ngo (2007) and Raj (2002) among others describe, which makes it essential to examine brand performance through the different factors that influence it.

This section starts with definitions of a brand and brand equity, after which brand loyalty is examined. Finally, brand performance is defined.

2.1 Brand

Kotler (1991, 442) defines a brand as components that identify the products or services of a seller and differentiates them from the competition. These components, also called brand identities, usually include a combination of a name, symbol or sign, and design among other similar factors (Keller, 1993; Keller & Lehmann, 2006). Keller and Lehmann (2006) also note that a brand reflects a customer's complete experience with the product.

2.2 Brand equity

Brand equity is the value accumulated from the customer market, product market and financial market levels of a brand. At the customer market level, a brand can imply quality and reduce risks in choice-making, brands are built on the product, its use, and the surrounding marketing, hence the product market, and brands act as financial assets, for example by increasing company valuation. (Keller & Lehmann, 2006)

Customer-based brand equity is the effect of brand knowledge on the consumers' response to a brand's marketing (Keller, 1993). A brand that is seen as the same as another, or any, brand in the category, should evoke the same response to its marketing as any brand in the category, however having positive customer-based brand equity leads to a more favorable response, which in turn may translate into increased revenue and higher profit margins (Keller, 1993). Hoeffler and Keller's (2003) compilation of consumer responses in relation to brand knowledge fairly comprehensively shows that depending on the type of brand knowledge the consumer has, a wide variety of marketing activities benefit from increased brand knowledge, reinforcing Keller's (1993) previous findings.

Brand knowledge consists of two factors, brand awareness and brand image, the strength of which are defined through the recognition of the brand and associations linked to the brand

(Keller, 1993). Brand associations vary in terms of favorability and strength, favorability being context- and consumer-dependent, and the strength of the association varying based on the amount and nature of information about the brand the consumer is exposed to and how the consumer processes such information (Keller, 1993). Berthon et al. (2007) highlight the importance of the context and consumer-dependency of the perception of a brand, and concretize it with an example about Dr. Martens shoes, which were designed to be durable workwear for police and postal workers, but were adopted by subcultures like punks as a fashion statement. Some brand associations are created through direct experience with the product or service or information about it from the company or an external source, however, associations can also be created from existing brand associations, for example relating to the product category, the origin of the product or usage scenario (Keller, 1993).

In addition to brand awareness and brand image, Keller and Lehmann (2006) suggest attachment and activity as effective aspects in determining brand equity. They define attachment as a consumer's attachment to the brand, ranging from loyalty to addiction, and activity as the consumer's purchase and consumption frequency and level of involvement with the marketing, company or other customers in relation to the brand.

2.2.1 Brand awareness

Brand awareness can be further divided into brand recognition and brand recall. Recognition of a brand happens when a consumer can distinguish a brand from prior exposure to it and brand recall refers to the consumer retrieving a brand from their memory when prompted by a cue other than the brand itself, such as a need or a product category (Keller, 1993).

Brand awareness affects consumers' decision making by making the brand in question a part of the consideration set, from which the consumer chooses the brand they'd like to buy, as well as enhancing the likelihood that the brand will be chosen from said set (Hoeffler & Keller, 2003; Keller, 1993). Brand awareness also influences the amount and type of brand associations that are formed in the consumers' minds (Keller, 1993).

2.2.2 Brand image

A brand's image consists of the associations that consumers have about the brand and the strength, favorability, and uniqueness of such associations (Keller, 1993; Newman, 1957). Park et al. (1986) note that a brand image is the complete understanding of the brand that consumers gain from all brand-related activities that the company engages in, including communications among others. Brand associations can be further divided into attributes, benefits, and attitudes (Keller, 1993), and vary depending on whether they're related to the product itself or not and on the level of abstraction of the association, ranging from concrete, for example product attributes to abstract, for example overall attitudes towards the brand (Hoeffler & Keller, 2003).

Attributes are features that, in a consumer's mind, characterize a product or service (Keller, 1993). Attributes can either be product-related or non-product-related, the former being physical attributes required to perform the function of the product or service, and the latter being external aspects that relate to the purchase or consumption of the product or service (Hoeffler & Keller, 2002; Keller, 1993). Product-related attributes can vary greatly depending on the category of the product or service and are commonly acknowledged, but from non-product-related attributes, four main types can be found: price, packaging or appearance, user imagery and usage imagery (Keller, 1993).

The price and packaging of a product or service are considered non-product-related attributes since while being heavily related to the purchase and consumption process of the product or service, they aren't often directly relevant to the performance (Keller, 1993). Pricing, however, is an important attribute in terms of building brand image, as consumers usually view the price as an indicator of performance and categorize products within product categories in terms of the price and perceived value of the product (Blattberg & Wisniewski, 1989, as cited by Keller, 1993). The price of a product or service could also be somewhat important to the performance in terms of symbolic benefits, which will be discussed later.

User and usage imagery attributes allow consumers to associate the brand with an image of the typical user of a product (Hoeffler & Keller, 2003; Keller, 1993), including age and social and financial status among other factors, as well as the typical usage context, consisting of factors like time, activity and location (Keller, 1993). Such attributes can be formed through experiences with users of the brand or through the depiction of the target market via the brand's advertising or social influences such as word-of-mouth. User and usage image attributes can

also contribute to the perceived personality of the brand, as well as the emotions evoked by the brand (Keller, 1993).

Benefits represent the perceived value of the product or service to the consumer, or what the consumer feels like they can gain by using a specific brand (Keller, 1993). Benefits consist of three categories, which are functional benefits, experiential benefits, and symbolic benefits, which serve to fulfil consumers', similarly named, functional, experiential and symbolic needs (Keller, 1993; Park, Jaworski, & MacInnis, 1986). Functional benefits are often connected to product-related attributes, and thus the performance of the product or service, as are experiential benefits, which relate to the feeling of consuming the product or service, while symbolic benefits correspond to non-product-related attributes and the need for self-expression or social approval (Keller, 1993). As previously stated, the price of a product, although being non-product related, could be viewed as important for the performance of the product by a consumer, if they highly value the symbolic benefits of the brand. In such a case, a luxury good, or "badge" product (Keller, 1993) for example, could prove beneficial to the customer in both functional benefits as well as symbolic benefits.

Brand attitudes are the third part of a brand's image, and often steer the consumer's decision making and overall consumer behavior quite heavily (Keller, 1993). The basis of brand attitudes is the collection of perceived attributes and benefits that the customer has of the brand, from which the consumer draws conclusions on the brand based on if they view the attributes and benefits as good or bad (Bettman, 1986, as cited by Keller, 1993).

2.3 Brand loyalty

Brand loyalty occurs, when a consumer is dedicated to consuming the same brand consistently, even though other options may have the potential to cause the consumer to switch brands through, for example, marketing efforts or other influences (Oliver, 1999). Oliver (1999) refers to basic human instincts as a basis for loyalty: humans naturally strive to be loyal, as it is noble, and as consumers it is easy to remain loyal by repurchasing a previously consumed product, provided that the product's performance hasn't changed for the worse. Chaudhuri and Holbrook (2001) further divide brand loyalty to purchase loyalty and attitudinal loyalty. Purchase loyalty represents the continuous repurchases, while the level of attitudinal loyalty

entails the commitment of the consumer toward the brand, reducing the willingness to switch brands (Chaudhuri & Holbrook, 2001). Along with influencing purchase and brand switching tendencies, brand loyalty may also affect the effectiveness of advertising in high-loyalty consumer segments, in which advertising tends to increase purchase rates (Raj, 2002).

Purchase loyalty and attitudinal loyalty are results of brand trust and brand affect (Chaudhuri & Holbrook, 2001). Brand trust is defined as the consumer relying on the brand to perform the function that's stated, fulfilling the consumer's need, which reduces uncertainty in consuming choices (Chaudhuri & Holbrook, 2001). Brand affect represents the emotional side, complimenting the functional brand trust. Chaudhuri and Holbrook (2001) define brand affect as the potential of positive emotions being a result of a consumer using the brand and note that brand affect is more prevalent in product categories that are associated with high hedonic, or emotional and symbolic value. Oliver's (1999) description of brand loyalty is similar in the functional and emotional factors, as he states that in order for true brand loyalty to exist, the consumer must prefer the brand's attributes to competitors, the attributes must be in line with the consumer's attitude towards the brand and the consumer must intend to buy the brand more than competitive brands (Oliver, 1999). This is, in terms of attributes and attitudes, also in line with Keller's (1993) definition of brand equity, thus connecting brand equity and brand loyalty.

2.3.1 Development of brand loyalty

Brand loyalty is believed to increase incrementally similarly to the limits of true brand loyalty. First, in the cognitive loyalty phase, the brand becomes preferable to its alternatives because of information about its attributes, which can be based on prior knowledge or experiences with the brand (Oliver, 1997, as cited by Oliver, 1999). The information about the brand enables cognitive loyalty, as it is easier for the consumer to trust the brand to perform the desired function, the concept of which can also be called brand trust (Chaudhuri & Holbrook, 2001). Second, affective loyalty forms when the consumer develops a positive attitude toward the brand, as positive experiences with the brand continue (Oliver, 1997, as cited by Oliver, 1999). Affective loyalty in this example resembles Chaudhuri and Holbrook's (2001) description of brand affect.

Third, repeated positive experiences with the brand form a basis for intention to repeatedly purchase the brand, turning the consumer's loyalty into conative loyalty (Oliver, 1997,

as cited by Oliver, 1999). The conative loyalty stage includes what Chaudhuri and Holbrook (2001) call purchase loyalty. Finally, the state of action loyalty forms when the consumer is ready to act on behalf of the brand, overcoming obstacles that might prevent repeated purchases, for example, competitors' marketing efforts (Oliver, 1997, as cited by Oliver, 1999). Action loyalty is a state similar to Chaudhuri and Holbrook's (2001) brand loyalty, combining purchase loyalty and attitudinal loyalty. The increased level of loyalty in each stage reduces the likelihood of the consumer switching brands, although action loyalty is the stage where the consumer truly desires to stick with the brand they're loyal to.

Oliver (1999) suggests that the final stage of loyalty may be ultimate loyalty, where the consumer's loyalty is further fortified by a social construct, such as a community. In the case of ultimate loyalty, brand loyalty is sustained by logical, personal and social factors, which effectively eliminates any competitive persuasion, keeping the consumer loyal to the brand. McAlexander et al. (2002) introduced a similar concept to ultimate brand loyalty, integration in a brand community (IBC), which is based on points of attachment born from relationships with members in a brand community. According to the authors, IBC is a broader concept than brand loyalty in that it includes the consumer's total-life experience with a brand, also considering the social aspect of brand communities. As an example from the study conducted about the Jeep brand, IBC tends to increase in newer members of the community through learning to consume the brand in ways that provide social, utilitarian or other benefits to the consumer, while more experienced consumers gain IBC through mentoring others and otherwise demonstrating their community ties (McAlexander, James H, Schouten, John W, & Koenig, Harold F, 2002).

The way brand loyalty develops also limits the possibilities of loyalty for some brands. Oliver (1999) lists the requirements for a brand to reach maximum brand loyalty potential: the product has to be unique, or superior, the number of consumers that find the product superior has to be profitable, loyal consumers need to adore the product, not just consume it, the brand has to have the capability of developing a social construct around it, and the company has to use its resources to support the social construct. It's quite clear that some brands are unable to fulfil each of these criteria, and Oliver (1999) argues, that such brands can't achieve the stage of ultimate loyalty among their customers. Such brands, however, are often expendables, like the household products mentioned by Oliver (1999). There seems to also be contradictory examples to this theory, at least to the extent that ultimate loyalty cannot be achieved without

all of the criteria being fulfilled, as for example the Apple Newton mentioned by Muñiz Jr. and Schau (2005) seems to have achieved an extremely loyal following despite not being a superior product.

2.4 Brand performance

O'Cass and Viet Ngo (2007) see brand performance as organizational performance at the micro-level. They refer to earlier literature stating that successful brands help increase an organization's performance in the market and grow its earnings. Brand performance can be tracked through factors such as sales growth, profitability and market share (O'Cass & Viet Ngo, 2007). Chaudhuri and Holbrook's (2001) definition of superior brand performance and its outcomes is similar: greater market share and a premium price related to competitors. Hoeffler and Keller (2003) also seem to agree that market share is a suitable indicator of brand performance.

According to O'Cass and Viet Ngo's (2007) research, brand performance can be increased through innovative culture and market orientation, which are separate but connected factors in a company's operations. Innovative culture in an organization drives the seeking of competitive advantage and adopting and developing new ideas and processes in order to increase the value of the brand to consumers, while market orientation aims to gather and utilize information from the marketplace for competitive advantage (O'Cass & Viet Ngo, 2007). While O'Cass and Viet Ngo (2007) determined that innovative culture has the potential of increasing brand performance more than market orientation, they also state that an innovative culture drives the organization to seek information and understanding of the marketplace in order to act proactively, and refer to Keller's (1993) statement that the information created about a brand through the consumer's associations is one of the most valuable assets that an organization can gain.

As suggested by Keller (1993) and Berthon et al. (2007), positive customer-based brand equity often increases favorable reactions to a brand's marketing efforts, for example, the product itself, pricing or promotion of the brand. Products from brands with a positive brand image can be priced in a manner that enables larger profit margins, as consumers that have a positive attitude towards a brand tend to be willing to pay premium pricing and have more inelastic

responses to price increases (Hoeffler & Keller, 2003; Keller, 1993; Keller & Lehmann, 2006). Concerning brand performance, it seems that increased positive customer-based brand equity thus can lead to increased brand performance. Chaudhuri and Holbrook's (2001) research also directly links brand loyalty to brand performance, and Berthon et al. (2007) seem to agree. The research determined that purchase loyalty leads to a greater market share, and attitudinal loyalty to a higher relative price, often suggesting higher profit margins as well. Raj's (2002) research adds to the brand performance increasing benefits of brand loyalty, showing that consumers loyal to a brand tend to purchase more as advertising increases. The effect of brand loyalty on brand performance may, however, result from an increase in the number of highly loyal consumers and not necessarily the increase in loyalty in single consumers, especially in markets that are in a steady state in terms of market shares of competitors (Ehrenberg, Uncles, & Goodhardt, 2004).

Brand knowledge in the decision-making process of a consumer may lead to loss aversion (Hoeffler & Keller, 2003), meaning that consumers are more likely to consume the known and trusted brand in order to avoid potential losses, even though switching brands could prove beneficial, for example through a lower price. Hoeffler and Keller (2003) also note that the loss aversion effect can be a result of brand affect, while Chaudhuri and Holbrook (2001) attribute it mainly to brand trust. Loss aversion could benefit strong brands, as it would help preserve market share through re-purchases and could lead to increased market share in cases where a new customer chooses the brand based on previous knowledge.

3 Defining consumer-driven online communities

Similarly to the previous section, the purpose of this section is to define consumer-driven online communities through their elements. First, online communities in general are described, after which communities of consumption and their different forms are examined. Third, consumer-driven online communities are defined and examined through examples.

3.1 Online communities

Online, or virtual, communities are groups of people, or users, who form relationships and extendedly publicly discuss matters online (Rheingold, 1993). Online communities operate, as the name suggests, online on the internet on different platforms and in different formats. These formats include but are not limited to blogs, social media networks, discussion forums, chat rooms, web sites and mailing lists (Brown, Broderick, & Lee, 2007; de Valck, van Bruggen, & Wierenga, 2009; Kozinets, 1999).

Members of online communities usually share norms or moral standards and may coexist close to each other or consciously attempt to form a community (Komito, 1998). Communities are also often identified based on identification among their members, which can vary from factors such as occupation to area or interest in a specific brand (McAlexander et al., 2002). According to de Valck et al. (2009), users are often likely to be members in multiple different communities and can switch between them depending on their needs. Another unifying factor that contributes to the strength and continuity of communities is the sense of belonging, which in the case of communities is comprised of individual belonging, largely through access to social and economic resources in the community, and collective belonging, which through unifying practices contributes to the individuals' sense of belonging (Chalmers Thomas, Price & Schau, 2012; Schau, Muñiz & Arnould, 2009). Communities and their participants show signs of the three markers of community, which are shared consciousness, shared rituals or traditions and a sense of moral responsibility (Muñiz Jr. & O'Guinn, 2001).

Hennig-Thurau et al. (2004) found eight motivational factors that consumers have for engaging in online communities. The factors are platform assistance, venting negative feelings, concern for other consumers, positive self-enhancement, social benefits, economic incentives, helping the company and advice seeking. Laroche et al. (2012) reinforce this by stating that community participants often value the social and hedonic benefits of engaging in communities. Hennig-Thurau et al. (2004) also found that consumers engaging in online communities are not homogenous in terms of their motivations, which makes each of the eight factors important in terms of visiting frequency and contribution activity of users. According to their research, however, economic incentives, concern for other consumers and helping the company are the most important of the factors. Even though some incentives may be lucrative, not all members of communities participate, as Wiertz and de Ruyter (2007) note that the knowledge and

assistance provided by other members is a public good, meaning that it's available for anyone regardless of the level of participation. Wiertz and de Ruyter's (2007) findings about consumers who engage in communities, however, also line up well with Hennig-Thurau et al.'s (2004), since they mention, that especially in firm-hosted communities consumers tend to engage mainly out of commitment to the community, while also appreciating gained information and the interaction itself. Another noteworthy contributor to the amount and quality of engagement is the consumer's online interaction propensity, or the amount the consumer tends or likes to interact with others in an online environment (Wiertz & De Ruyter, 2007).

Since users can choose to join, or not to join, any online community, thus choosing their reference group in terms of consumption-related information, online communities can prove to be very influential to a person's decision making (de Valck et al., 2009). With the constant flow of information sharing that takes place online in the communities, these communities act as substantial sources of consumer knowledge (Brown et al., 2007; Laroche, Habibi, Richard, & Sankaranarayanan, 2012), which is why users tend to gather information or ask advice from the community when making purchase decisions (de Valck et al., 2009). Brown et al. (2007) suggest that the value and credibility of such information is tied not only to the provider of the information, or the member of the community, but also the community or the platform itself, which seems to suggest that online communities by themselves carry value for the members' consumption purposes and potentially for brands as well. While online communities may form on essentially any basis, this thesis focuses on consumer-driven online communities and communities built around consumption-related themes.

3.2 Communities of consumption

Some online communities revolve around topics related to consumption, such as fashion, collection of items and food among others. Kozinets (1999) refers to these communities as "virtual communities of consumption" and states that their existence is based on knowledge and enthusiasm for consumption activities or a related group of activities. Wiertz and de Ruyter (2007) studied firm-hosted communities, which they refer to as commercial online communities. They characterize such communities as groups of consumers who consume and

co-produce content about commercial topics related to their interests. Members of these communities participate in them by exchanging intangible resources such as knowledge, support, and information (Wiertz & De Ruyter, 2007). Information sharing and discussion in communities of consumption are thus often related to the discussion about specific products or brands as well, as, for example, McAlexander et al. (2002), Muñiz Jr. & O'Guinn (2001) and Chalmers Thomas et al. (2013) have shown.

Oliver (1999) refers to the village, a social structure built around the consumption of a product or service, stating that it is well exemplified in consumption communities. In such structures, the main motivation of being loyal to the object of consumption is belonging to the group, participating in the community is socially beneficial to the members and the administrators or other members in a similar role are motivated by pleasing the community as a whole. Oliver's (1999) concept of fully bonded loyalty extends this consumer-consumable-community relationship, as in such case the community and the object of consumption are balanced in terms of motivating the consumption and feeling of belonging, whereas in the village the community was the main object of interest. Examples of fully bonded loyalty include but are not limited to communities built around sports teams, bands and tv-shows, however product brands can fit the description as well, like the Harley Davidson community mentioned by Oliver (1999).

3.2.1 Brand communities

Muñiz Jr. and O'Guinn (2001) introduced the concept of brand communities, which they define as communities based on appreciation for a specific brand and the social relationships between the admiring consumers. Similarly, McAlexander et al. (2002) see brand communities as relationships in which consumers are situated. They note that these relationships can vary greatly and among the variations are C2C, B2C, and customer to brand relationships, which Brodie et al. (2013) seem to agree with. Brand communities show the three markers of a community, but the expression of such markers being mainly commercial differentiates brand communities from communities that aren't built around consumption (Muñiz Jr. & O'Guinn, 2001).

Brand communities were previously mainly offline communities, with the majority of interaction happening face-to-face in gatherings, however with the prevalence of the internet,

many companies that previously had functional offline brand communities, for example Jeep (Schau et al., 2009), have established their communities online as well. Laroche et al. (2012) determined that offline and online communities both share the same advantages and benefits, which enables overall examination of brand communities regardless of the platform. Some actions, however, like gatherings or tutorial videos, require an offline or online setting to function.

By Muñiz Jr. and O'Guinn's (2001) definition, brand communities in their essence aren't geographically bound. With the emergence of online communities, the geographic boundaries have become even more irrelevant, as communications technology allows members to participate from anywhere they'd like. Brand communities that operate online can be called virtual brand communities or online brand communities (Brodie, Ilic, Juric, & Hollebeek, 2013; de Valck et al., 2009; Laroche et al., 2012). Although the definitions state that such communities aren't geographically bound per se, both company- and consumer-driven online brand communities often limit their presence within a certain area, whether it be to use a specific language or to make face-to-face interaction easier to establish. This is the case with communities such as Palace Talk UK/EU¹ and Pokemon Go Finland², both using Facebook as their platform of choice. It is unclear whether the communities enforce the area limitations, but clear that they aim to attract members from a certain location. Communities limited to a certain area resemble the suggestion of McAlexander et al. (2002) that consumers as brand community members may create temporary communities within the brand community, although these communities appear to be extensions of the wider brand community.

As with communities overall, members in brand communities benefit from the social benefits and experience sharing in communication between community members (McAlexander et al., 2002). In addition to sharing opinions and other information about products, brand community members also tend to preserve and spread the history and culture of the brand (Laroche et al., 2012). Berthon et al. (2007) mention great examples of spreading the history and culture of a brand in a community, stating that some brand communities have become co-owners and co-creators of brands. They note that the Harley Davidson community, also studied by Oliver

¹ <https://www.facebook.com/groups/palacetalk/>

² <https://www.facebook.com/groups/1748339302104870/>

(1999), has a strong say in the future of the brand and products, and that the community around Linux Online co-produce both the product and the brand. Brand community members also often engage in creating media focused on the brand, such as documents and images that resemble advertising material (Muñiz, Jr. & Schau, 2007).

Some subcultures based around brands, as examined by Schouten and McAlexander (1995), share clear similarities with brand communities, however they often take the brands' meanings as they are, while in brand communities the meanings are negotiated and interpreted (McAlexander et al., 2002; Muñiz Jr. & O'Guinn, 2001). Brand communities also usually don't reject or oppose the ideologies and accepted meanings of their surrounding cultures (Muñiz Jr. & O'Guinn, 2001).

Brand communities are most likely to form around strong, publicly consumed brands that have competition in the market and a lengthy history, however they can form around any brand (Muñiz Jr. & O'Guinn, 2001). Consumers tend to join brand communities driven by the need to identify themselves with the brands, and after joining define how they want to be identified by others based on the community and its members (Laroche et al., 2012). On an abstract level, consumers may join a brand community through purchases taking place in the context of social and business relationships, which create a sense of community through consumer experience and while internalized, integrate the consumer into the brand community, also creating brand loyalty (McAlexander et al., 2002). This effect stems from the social support which consumers often receive from other consumers that already use a certain brand, leading to brand-focused relationships (McAlexander et al., 2002).

While brand communities are sometimes created and managed by the brand, the community itself can be seen as customer-centric and the meaningfulness of the community as customer experience based (McAlexander et al., 2002). Marketers can participate in building the community by for example creating a context for the interaction (McAlexander et al., 2002).

Some brand communities host gatherings or other types of events focused on the specific brand and its consumption. McAlexander et al. (2002) call these events brandfests and suggest that such shared consumption experiences can often strengthen the consumers' enthusiasm for the brand as well as the feeling of belonging in the community.

Members of brand communities co-create value in four different ways: which are social networking, impression management, community engagement and brand use (Schau et al., 2009). Social networking includes acts such as welcoming new members and empathizing with other members (Laroche et al., 2012; Schau et al., 2009). Community engagement is the process of collaborating with other members towards shared goals and interests, including participation such as building personal brand narratives and documenting important events in the community (Laroche et al., 2012; Schau et al., 2009). Impression management includes word-of-mouth and other means of sharing positive news and spreading the message of the brand within the community and to others outside of the community (Laroche et al., 2012; Schau et al., 2009). McAlexander et al. (2002) mention similar behavior with loyal consumers acting as brand missionaries. Brand use as a means of creating value refers to the tendency of community members to share information about customizing products, helping other members and other means of enhancing the consuming experience of the brand (Schau et al., 2009). The value creation practices increase the interaction between the brand, consumers, and marketers, which tends to enhance the relationships and reduce uncertainty, creating brand trust (Laroche et al., 2012).

3.2.2 Themed communities

Chalmers Thomas et al. (2012) list the focus of a consumption community as one of the classifying factors in research, dividing communities into brand-focused communities, such as the ones studied by Muñiz Jr. and O'Guinn (2001) and McAlexander et. al (2002), and activity-focused communities, like the running communities mentioned by Schvartzberger and Hyde (2013). This classification clearly separates brand communities from other consumption communities, classifying communities not focused on a specific brand as activity-focused. However, Chalmers Thomas et al.'s (2012) classification is quite dependent on what one considers to be an activity.

Similar communal behavior has been noted in other research as well. Schouten and McAlexander's (1995) definition of subcultures of consumption includes, among brand-focused groups, groups of consumers that are self-selected based on the commitment to a product class or consumption activity. Combining the shared commitment to a product class in communities with activity-focused communities would allow simpler division of consumption

communities into brand communities and other communities, while not excluding communities such as those focused on collecting specific multi-brand items like memorabilia or fashion items or other communities that may often not be considered to be focused on an activity. Such communities are here called themed communities, which are defined as consumption communities in which the collective object of interest is not a specific product or brand.

Although not always consumption-focused, Cova's (2003) neo-tribal constellations, especially "tribes which consume" can represent the core idea of themed communities, in that they can be centered not only around a product but a practice as well. Tribes which consume do not separate admiration for their central object of interest from an extreme passion for it and the objects of such tribes are not restricted regarding specific products or brands (Cova, 2003). Oliver (1999) mentions activity and lifestyle themed communities as examples of fully bonded loyalty, as they're communities focused around consumption-related activities. As an example of this, Oliver (1999) mentions skiers, which is a clear example of an activity-themed community, as the consumption is focused on the activity itself and not a specific brand or product.

Discussions within a themed community like skiers may include consumption-related topics such as ski resorts and skis and other equipment, where specific brands may be compared or otherwise discussed. Brodie et al. (2013) note similar findings when studying a community focused on exercise: discussions include topics such as brands, products, pricing, ethics and industry standards among others. Interestingly, they also noticed that community members only discussed certain brands that are of high enough quality to be verified by the community.

3.3 Consumer-driven online communities

Consumer-driven online communities are communities, in which the consumers are the main hosts and moderators of the online community. Such communities greatly resemble company-driven and operated consumption communities and often the main difference to other communities is the shift in control, as Muñiz Jr. and Schau (2007) demonstrate in their choice of wording: "consumer-controlled brand community". Consumer-driven online communities vary in their focus, but like online communities in general, can be formed on essentially any

basis, such as around a brand (Muñiz, Jr. & Schau, 2007) or a theme like an activity or a cause (Chalmers Thomas et al., 2012; Hoeffler & Keller, 2002).

Muñiz Jr. and Schau (2007) note that one of the most important factors in consumer-driven brand communities is content creation, to which they refer as vigilance marketing. Vigilance marketing is defined as unpaid commercial communications, that brand loyalists engage in on behalf of the brand (Muñiz, Jr. & Schau, 2007). Although the research on vigilance marketing was conducted related to a consumer-driven brand community, similar actions are likely to occur in company-driven communities as well. Community members creating such material are often skilled enough to create advertising material similar to the brand's original materials, which can shift the control of marketing communications towards the consumers, as they often create and communicate new and unique brand meanings that reflect the community's thoughts and beliefs about the brand (Muñiz, Jr. & Schau, 2007). Muñiz Jr. and Schau's (2007) research of the Apple Newton community also shows that vigilante marketing is an effective form of word-of-mouth, as some of the community members were drawn to the brand solely as a result of the consumer-created material.

While McAlexander et al. (2002) studied brand communities in an offline setting, they suggest that marketers, or brand representatives, can be members of the community similarly to consumers. Communities operating online don't seem to have any reasonable obstructions for such participation, which would suggest that marketers can also participate in consumer-driven online communities as members. One exception is the fact that some communities, for example Facebook groups, are closed in a manner that requires anyone willing to participate to request access to the group, which makes it possible for moderators to block company access to the community should they choose to do so. In such cases, it is still difficult for community moderators to distinguish between brand representatives using their personal accounts and other users.

3.3.1 Exploration of consumer-driven online communities

Consumer-driven communities operate on the same platforms as company-driven communities. Such communities can often be found on free-to-use social media platforms such as Facebook and Reddit, as any registered user can start a page, subreddit or another similar

channel for communication about a brand or theme. The following are three examples of consumer-driven communities that operate online.

For the first example, Palace Talk UK/EU, which was mentioned in the brand community section, is a consumer-driven community formed around the British clothing and skateboarding brand Palace. This community operates on Facebook as a closed group, into which any user can request access, and has over 100 000 members who engage in discussions about the brand, its marketing communications, products, as well as buy and sell the brand's discontinued products. Knowledgeable members of the community also perform "legit-checks" by analyzing images of products for other members in order to lessen their risk of purchasing counterfeit items. The company itself doesn't appear to officially engage in the community, however multiple employees are members in the community and thus may participate in discussions.

The second example of a consumer-driven community is the r/apexlegends³ subreddit, which, as suggested by the channel type, operates on Reddit. This community is focused on the video game called Apex Legends, developed by Respawn Entertainment, and as such is a brand community formed around the brand. This community has over 770 000 members, who actively discuss the game, share content they've created and make requests about the future of the game's development. R/apexlegends highlights marketer participation in a consumer-driven community, as even the description of the subreddit reads "The developer supported, community-run subreddit dedicated to Apex Legends made by Respawn Entertainment", and representatives of the company regularly participate in discussions and share news about the game. Developer posts and replies are highlighted, so that community members can easily distinguish them, which suggests that they are important to the community. It is also important to note that all of the moderators of the community are consumers who volunteer to moderate, thus giving control over the community to the members and truly making the community consumer-driven.

The third example Hypend⁴, is a Finnish community built around fashion, streetwear to be exact. Hypend is an example of a consumer-driven themed community, as the main topic of discussion isn't a single specific brand, but the consumption of streetwear fashion and other

³ <https://www.reddit.com/r/apexlegends/>

⁴ <https://www.facebook.com/groups/hypend/>

topics related to it. The community's Facebook group has over 17 000 members and is also moderated by its members. Some of the moderators are founders of a media company bearing the same name, Hypend, however they don't represent any brand that is discussed in terms of consumption, so it's reasonable to classify the community as fully consumer-driven. The main activities in the community include buying and selling goods, discussions about brands, products and retailers and legit-checks, as described in a previous example. Hypend's guidelines encourage members to advertise their creative ideas and businesses, however any advertisements need to be validated by the moderators before publishing. Some smaller, as in not popular in a country- or worldwide level, Finnish clothing brands and musicians advertise in the community quite frequently and appear to evoke positive reactions in the members, but it is unclear if the group allows larger, global brands to advertise as well. Retailers of the brands discussed in the community engage in the community on their personal accounts by publishing information about new products and information regarding the availability and pricing of the products, which is similar to information discussed by non-retailer members. The members representing retailers and their brands disclose their relationship with the brand, possibly in order to avoid seeming dishonest should the information be published by another member. Interestingly, Goh, Heng and Lin (2013) refer to Escalas (2007) noting that consumers tend to be more skeptical toward messages posted by marketers, as they may resort to exaggeration or other seemingly dishonest marketing behavior. In the case of Hypend, this skepticism could be offset by the fact that the brand representatives participate in the community as members similarly to others and share information that other members may share as well, thus helping the community and earning credibility among it.

4 Connecting consumer-driven online communities and brand performance

Online communities present different opportunities to companies looking to gain advantage from consumer-to-consumer interaction, although the advantages may be different depending on the type of community in question (de Valck et al., 2009). As researchers often do not distinguish between consumer-driven and company-driven communities, it would appear that the potential benefits gained from communities apply to both types of community. In the case of consumer-driven communities, however, it is necessary to assume that methods of

enhancing brand performance that require substantial involvement in the hosting and moderating of the community may be difficult, if not impossible, to perform successfully.

Referring to a plethora of past research, Goh, Heng and Lin (2013) state that the quantitative aspects, for example the amount and dispersion of consumer-generated content, such as reviews and posts on forums, are related to the market performance of a product or brand. The increase in performance can be measured in metrics such as sales volume per day and market share, suggesting that increased consumer-generated content affects the brand performance of the brand the content is related to. Multiple similar effects have also been discovered in the qualitative aspects of consumer-generated content, like the credibility of the user, readability of the content and the sentiment of the content, which would also suggest that the quality of the content affects the brand's performance (Goh, Heng & Lin, 2013).

4.1 Market orientation

O'Cass and Ngo (2007) suggest that, especially when combined with an innovative culture, market orientation is a major driver in increasing brand performance. According to them, market orientation helps organizations understand the marketplace environment and collect information needed for proactive changes in their brands and the organizations themselves. This would suggest that market orientation could prove especially beneficial for companies with high levels of innovative culture and those operating in fields where constant innovation is the main aspect of staying relevant. Laroche et al. (2012) also highlight the benefits of communities in learning about the customers' opinions on new and existing products and competitors. Information and opinions on competitors could especially be gained from themed communities, where multiple competing brands and products are discussed.

Consumer-generated content in the form of vigilante marketing can provide useful information on the consumers' perception of the brand and the form of marketing materials that appeal to the loyal consumer-base of the brand (Muñiz, Jr. & Schau, 2007). Such content may, however, also prove to be problematic to the brand, especially if the community is ignored, as the members' views and beliefs of the brand may differ greatly from the company's plans. A problematic reaction is evident in Muñiz Jr. and Schau's (2007) example of the Apple Newton community, where Apple was heavily criticized as the community felt that the brand and its

supporters were abandoned and neglected. A properly treated example from the same article is Jeep, which leveraged consumer-generated content in order to create advertisements that proved successful, as they appealed to the Jeep community and potential new customers.

Online communities enable companies to create effective communications with their customers (Laroche et al., 2012). Participation in communities as a credible member could allow brands to collect information directly from loyal consumers who are willing to help the brand, while likely reducing the costs of market research as finding such consumers through communities is quite simple.

The digital environment utilized in online communities enables inexpensive and easily accessible archiving of knowledge and content, which makes such communities a valuable resource of expertise, benefiting their members (Laroche et al., 2012). This information can also be utilized by companies, regardless of whether they manage the communities or participate as members. Archival of such information also eases the examination of past discussions, as the information and content are usually available to members regardless of the length of their membership.

4.2 Brand equity and loyalty through communities

Managing brand image by participating in online communities may increase a brand's positive brand equity, as Keller (1993) states that the way a brand association is created isn't important if the association is favorable and unique. By participating in communities, the company can also help the brand's image and associations stay coordinated and congruent, which helps with managing customer-based brand equity (Keller, 1993). McAlexander et al. (2002) found similar effects from the consumers' participation, as they state that participating in communities and activities within them can increase a consumer's appreciation for the brand. Consumers that participate in communities tend to be more forgiving in terms of poor service quality or product failures (Berry 1995, as cited by McAlexander et al. 2002).

Brand loyalty effects in communities have also been researched by Brodie et al. (2013), who separate consumer engagement from other relational factors such as participation and involvement stating that such factors enable consumer engagement. The authors define

consumer engagement as a multidimensional concept that occurs in context-dependent engagement processes. In the context of online communities, consumer engagement is a central part of the relational exchange and may lead to factors such as loyalty, commitment, and empowerment (Brodie et al., 2013).

Oliver (1999) states that social structures, such as communities, are a strong enabling factor of brand loyalty, as they act as a buffer for competing marketing efforts, acting as a form of exit barrier from the community and reducing the likelihood of switching brands. McAlexander et al. (2002) agree and state that customer-centered relationships creating exit barriers often lead to a lessened probability of the consumer switching to a competing brand, even if it is of superior performance. Impression management and brand use practices within communities increase brand trust (Laroche et al., 2012), which in turn also increases overall brand loyalty (Chaudhuri & Holbrook, 2001; Laroche et al., 2012). Brand representatives may indirectly look to enhance this effect by, for example, emphasizing commitment and obligations to the community (Laroche et al., 2012).

Through corporate societal marketing, marketing initiatives that also serve non-economic purposes, brands may be able to gain positive brand image advantages and other similar benefits from online communities, especially ones formed around cause-related issues, such as medical or social issues (Hoeffler & Keller, 2002). Such efforts, however, likely require caution and genuine interaction in order to not evoke negative responses from community members as a result of perceived inauthenticity. This also applies to any online dialogue, especially participation in online word-of-mouth dialogue, as Brown et al. (2007) state that in order to avoid negative effects the communications need to be honest, open and authentic.

The effect on brand performance from consumer-driven online communities is not purely based on the existence of the community and participation in it. Building brand equity and loyalty and thus brand performance requires the combination of a functional, satisfying product that evokes a positive response from consumers, and a community based on consumer value and trust around that product (Berthon, Holbrook, Hulbert, & Pitt, 2007).

4.3 Word-of-mouth

Among studying the case of the brand community built around Jeep, McAlexander et al. (2002) noticed, that participants in the community tended to “convert” their relatives and other people in their lives from other brands to using the same brand they were enthusiastic about. Consumers that are integrated into a community often serve as brand missionaries, spreading the brand’s marketing message (McAlexander et al., 2002) and positive word-of-mouth to their peers and other communities. Hoeffler and Keller (2002) and Laroche et al. (2012) also state that active engagement with a brand, for example in a community, makes the consumer more likely to communicate positively about the brand and strengthen the ties others have to the brand. The positive communications are a form of impression management, which may often have a positive impact on brand loyalty and thus brand performance.

Content creation in a community in the form of vigilante marketing can also prove to be an effective form of word-of-mouth, as it strengthens the community, revitalizes the product and can often evoke interest for the brand in other consumers, bringing in new customers for the brand and members for the community (Muñiz, Jr. & Schau, 2007). Positive word-of-mouth among peers in a community may also prove useful by creating user and usage imagery attributes for the brand, thus increasing customer-based brand equity (Keller, 1993), however this effect is conditional, as the consumer needs to appreciate the perceived user group communicated by the word-of-mouth in the community in order for the brand equity to be positive.

4.4 Brand extensions

McAlexander et al. (2002) found that consumers that participate in communities are more motivated to provide feedback to companies and provide a market for brand extensions and licensed products. Keller (1993) also suggests, that a positive brand image reinforces the opportunity for brand extensions and licensing. Brand extensions tend to perform best when the extension’s features are similar to the original branded product and the extension follows the brand’s concept, which refers to the brand itself with its image and other differentiating factors and a brand meaning derived from consumer needs (Park, Milberg, & Lawson, 2002).

Park et al.'s (2002) research also suggests that prestige brands, brands with an emphasis on symbolic benefits, may benefit more from extensions with greater brand consistency than brands that focus on functionality, and that prestige brands may have increased extendibility across product categories other than the original product category. For greater benefit from the understanding of consumer-driven online communities, however, especially in the case of themed communities, brand extensions within the original product category could prove more beneficial, as the understanding derived from the communities is often focused on a specific product or product category.

4.5 Possible negative effects

Companies have limited power in online communities, especially in consumer-driven communities, where they often act as mere members among consumers. Dissatisfaction with products or brand interaction may cause issues in the form of protests and the spread of information or other messages that can harm the brand (Laroche et al., 2012). Brodie et al. (2013) found that some community members recognize and embrace the power of the community and attempt to persuade brands into making changes in their actions, especially when the brand is seen as harmful to the community or its object of interest. On a broader note, they also mention that consumer engagement in communities tends to vary in terms of its positivity, as members may criticize certain brands or even give misleading brand-related advice. Muñiz Jr. and Schau's (2007) research of the Apple Newton community shows clear examples of negative actions towards Apple, as previously mentioned, especially in the form of vigilante marketing, as community members created images and other material that resembled Apple's marketing materials but negatively portrayed the brand. Such actions were a result of the community being upset at Apple for discontinuing the Newton brand and the lack of support for the products after the decision. While it is unclear whether the community members' actions negatively affected Apple, it is not difficult to imagine similar actions harming other brands, especially if the community is large enough and active in spreading their message to others outside of the community.

One example of a community affecting a company's actions and at least temporarily harming the brand is from the spring of 2018, where street art enthusiasts joined forces against H&M.

The company was shown to be using an artist's work without permission and even filed a lawsuit in order to secure the use of the work, which provoked a widespread backlash from the online street art community, including written content and images from thousands of individuals and a social media hashtag-campaign. After the negative engagement against the brand H&M quickly retracted the lawsuit and settled with the artist.

4.6 Markers of affecting brand performance in example communities

Some of the ways that consumer-driven online communities affect brand performance are clearly distinguishable in the communities examined in this thesis. The communities exhibit forms of directly affecting the brands' performance, while also providing the companies with a plethora of opportunities to gain useful information for enhancing the brands.

All three communities are very active, as their members regularly post content of varying types that often displays quality and expertise and based on the reactions evoked in the community, also credibility within the community. In both Palace Talk UK/EU and Hypend, "What do you wear today?" -style posts are regularly posted and commented on. Such posts are a source of both brand use practices as well as user imagery and can also provide the brands with valuable information about the members' preferences. Brand use practices are also shared in r/apexlegends, where they often are instructional videos or useful statistics about the game.

The members of these communities provide brands with information about the market and the preferences of consumers. In r/apexlegends and Palace Talk UK/EU the information is provided directly about the brands as the communities are centered around them, however similar information is distinguishable in Hypend as well, often related to either a specific brand or the product category. In the two brand communities, information such as pricing, design and availability information is discussed. In r/apexlegends the pricing of so-called microtransactions, being small additions to the game that users must pay for, is often discussed, as are all new updates to the game. Discussions about the updates allow the developers of the game to adjust future updates accordingly in order to please their audience better and keep them playing, while pricing discussions help them find a balance in the prices of new content to maximize profits. R/apexlegends represents a beneficial state of a community for the brand, as the brand's representatives often participate in these discussions with information regarding

future plans or other information that benefits the community. Such balance likely enhances the credibility of the brand as a part of the community and increases the members' trust in the brand.

Recently as Palace announced their upcoming product collection the Palace Talk UK/EU community discussed it quite in-depth based on available product images and knowledge of past releases. Valuable information that stands out from the discussion is the expression of liking for certain products and designs, dislike for other products as well as discussions about the pricing of the products. One member of the community, for example, commented that they liked the look of an upcoming product and would like to buy it if the pricing wasn't as high as with similar products in the past. This notion of dissatisfaction with the pricing is a factor that is very important for companies to consider, as communities enable price-related research in a manner that could be difficult to conduct otherwise.

Palace Talk UK/EU and Hypend act as aftermarket marketplaces for products and provide pricing information through this activity as well, as the members value different products differently. Hypend members especially tend to sometimes value the "hype" of a product based on aftermarket performance related to retail pricing, from which conclusions of the willingness to pay a certain price for a product and the overall success of a product launch could be drawn. Marketplace activities in these communities also highlight the members' tendency to draw others to the brand, as members often express their willingness to buy certain products as gifts to their friends or relatives, expressing both their own liking for the brand and the willingness to spread the liking to consumers outside of the community.

Brand extension opportunities are also somewhat noticeable in Palace Talk UK/EU and Hypend. The focus on streetwear fashion brings collaborations of different brands into the discussions, as such efforts have been quite popular in the fashion industry lately. Members of the communities often discuss brands that they would like to see making a collaborative collection, which provides brand representatives with useful information about the direction the general public would like to see the brand take in the future. Based on such information it may be possible for brands to develop not only collaborations with other brands but extensions of their own brand as well, as they gain information about products or styles that are popular among their customers.

Negative effects for brands are also visible in the communities. If the community deems an update or another design choice to be bad for the game and the community, r/apexlegends users tend to be very vocal about the problem and even make fun of the brand by posting derogatory content focused on the brand and the bad additions. Hypend users seem to engage in similar behavior when brands release new products that are considered bad or faulty, but especially when negative news about a brand is discovered. Hypend members have previously openly boycotted brands that engage in suspicious behavior, such as human rights issues, and brands that have had their leading figures in legal trouble, as was the case in late 2018 when American brand Vrone's designer was accused of sexual assault. Some of the negative feedback and content could be turned into a benefit for the brands, as it's definitely a learning opportunity, but some of it will no doubt harm the brands' images at least temporarily.

5 Discussion and conclusion

Consumer-driven online communities seem to have a great effect on the brand performance of their objects of interest, whether that be directly through the actions of community members, or indirectly by providing marketers with information that can help enhance the brands' performance. This literature review examines previous research about the topics of brand performance and online communities and combines it to examine the ways that communities affect brand performance.

Consumer-driven online communities shift the control of the community and knowledge dispersion to consumers from the brands and may take different forms based on the shared interest and focus of the community. Notable forms of such communities are brand communities built around a certain brand or product and themed communities, that are focused on themes such as product categories and activities. While the communities are consumer-driven, marketers and other brand representatives can participate in them as members similarly to consumers but may also gain a special status in communities if they're seen as credible and trustworthy. Brand performance can be increased through brand equity and brand loyalty increasing actions, as well as market orientation and innovative culture, which all seem to be viable in the context of consumer-driven online communities.

The research question of how consumer-driven online communities affect brand performance is answered by distinguishing prominent behavior in communities that has an effect on brand performance, being consumer-generated content and other shared information, communal behavior such as impression management and brand use practices that affect brand equity and loyalty, word-of-mouth communications by community members and possibilities for brand extensions. Communities may also have negative effects on brand performance, as shared content and information can also be harmful, should the community members feel threatened or otherwise dissatisfied with the brand.

5.1 Implications for research

The results of this literature review indicate the importance of studying consumer-driven online communities. Previous research on communities describes communal behaviour and essential factors in communities quite well but often does not distinguish between company-driven and consumer-driven communities, which could prove to be a useful addition, especially when describing or suggesting marketer actions. Previous research is also often primarily focused on either brand performance or communal behaviour and the connection between the phenomena is often left in a minor role, which, based on the results of this study, may be a missed opportunity. The main additions to existing knowledge presented in this study are the suggestion that brand communities can quite often be geographically bound by the moderators, and the definition of themed communities as a distinctive, non-brand-focused form of communities. Consumer-driven online communities and such communities affecting brand performance have been studied before, but such research has often been in combination with other related research. Thus, highlighting the distinctive factors and their connection is quite new to the field.

5.2 Implications for practice

Based on the results of this study, marketers should pay attention to consumer-driven online communities. While some brands may not have a community formed around them, themed communities could prove useful for any brand discussed in them. The results of this study suggest that consumers that engage in consumer-driven online communities share large amounts of information, opinions, and knowledge that marketers should examine in order to

further improve their brands and provide increased value to consumers while increasing the brands' performance. Brand representatives should participate in communities as members among consumers in order to utilize this information and examine and further enhance their credibility among the community to increase the community's trust in the brand and its representatives. If possible, a brand should aim to support the community formed around it, as both parties may gain great benefits from such a relationship. When participating in communities, it is necessary to exercise caution, as some members may see brand representatives as dishonest or otherwise harmful to the community.

5.3 Limitations and future research

As this is a literature review with minor descriptive examples of existing communities the implications of the study should be subject to further research. The descriptive examination of communities in this study suggests that the theoretical background holds true to an extent, however the sample size is small, and the methods of analysis used are primarily exploratory. Studying a larger sample of different sized communities focused on a varying selection of product categories could provide an interesting insight into whether the implied effects on brand performance are universal or different between communities or different objects of interest. The examples provided in this study also do not contain any data on the effects on brand performance, which could better describe the different ways communities affect brand performance in terms of the viability and magnitude of the effects. The role of the brand representative in communities in this study is mainly as a normal member, but future research could provide insight into different ways the company can steer the effects the community has on the brand's performance. The theoretical background collected in this thesis could prove to be a useful framework for future research, as empirical evidence, for example from netnographic methods could be used to complement the suggestions based on theory.

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